ACHIEVING OUR MISSION

Deliver Social Security Services That Meet the Changing Needs of the Public

This *Performance and Accountability Report* highlights our accomplishments in FY 2010 and how these accomplishments have contributed towards achieving our mission. It also discusses key issues that affected our FY 2010 operations and those we anticipate will affect our future operations. Below we discuss our progress in achieving our mission categorized by the four strategic goals outlined in our *FY 2008–2013 Agency Strategic Plan:*

- Strategic Goal 1– Eliminate Our Hearings Backlog and Prevent Its Recurrence;

- Strategic Goal 2– Improve the Speed and Quality of Our Disability Process;

- Strategic Goal 3– Improve Our Retiree and Other Core Services; and

- Strategic Goal 4– Preserve the Public's Trust in Our Programs.

In addition to the above strategic goals, we identified two key foundational elements (employees and information technology) and a special initiative (encourage saving) in our *Agency Strategic Plan.* In this section, we discuss our progress in these areas.

Strategic Goal 1: Eliminate Our Hearings Backlog and Prevent Its Recurrence

Eliminating our hearings backlogs remained our top priority in FY 2010. Despite receiving a record number of hearing requests in FY 2010, we made inroads in eliminating our hearings backlog due to increased hearing capacity and record productivity by our administrative law judges (ALJ). Moreover, we strengthened our efforts to keep the public better apprised of our hearing reduction efforts, and we increased the transparency of our hearing processes under our *Open Government Plan* we discussed on page 21. We also posted hearings-related datasets on Data.gov, a Federal website designed to make all of government more transparent (www.data.gov/list/agency/12/0/catalog/raw/page/1/count/50). We discuss the outcomes of our efforts to eliminate our hearings backlog, prevent its recurrence, and the effect on our performance measure results on pages 49-55 in the *Performance Section.* Below we discuss additional efforts we took in FY 2010 to advance the two objectives established for this goal.

Strategic Objective 1.1: Increase Our Capacity to Hear and Decide Cases

Open Additional Hearing Offices, National Hearing Centers, and National Case Assistance Centers: In FY 2010, we opened 13 additional hearing offices and 3 satellite offices, and physically expanded the size of 2 existing offices. We plan to open or expand 19 offices in FY 2011. In July 2010, we opened a National Hearing Center in St. Louis, Missouri, increasing our total to five. National Hearing Centers use video conferencing that enables ALJs to hold remote hearings, giving us the flexibility to swiftly target assistance to the areas of the country with the highest pending hearings. Our National Hearing Centers completed 22,760 hearings in

FY 2010 compared to 9,162 in FY 2009. We also opened our first National Case Assistance Centers – in St. Louis, Missouri and McLean, Virginia – where staff provide support services, such as preparing cases for hearings, writing hearing decisions, and helping to fill ALJ hearing dockets to capacity.

Expand Video Hearings Capacity: We are expanding the availability and use of video hearings. Video hearings help minimize travel to hearing sites, saving time and money for all involved parties. More than 20 percent of the hearings we held in FY 2010 were conducted using video equipment. Below we discuss the initiatives we took in FY 2010 to bolster video hearing volumes:

- *Video-Equipped Hearings:* We have gradually expanded our video hearing network since 1999 when we first began testing this technology. In FY 2010, we video-equipped 102 hearing rooms and installed 98 desktop units. Desktop video units are small flat-screen monitors that enable ALJs to conduct video hearings in their offices instead of occupying a hearing room. This helps free up hearing rooms for holding additional hearings. This increased capacity enabled us to hold 40 percent more video hearings in FY 2010 than in FY 2009.

- *Representative Video Project:* Attorney and non-attorney representatives for claimants who have filed requests for hearings may use their own video conferencing equipment to participate in hearings from their offices. In FY 2009, when we began this initiative, 13 representatives' sites participated, and we conducted 966 hearings. In FY 2010, 12 additional representatives' sites participated, and we conducted 2,624 hearings.

Strategic Objective 1.2: Improve Our Workload Management Practices Throughout the Hearing Process

Implement the Standardized Electronic Business Process: We have 154 hearing offices nationwide; electronic business processes and organizational structures varied dramatically among them. We assessed and analyzed the business processes in several hearing offices to identify best practices. In FY 2009, we implemented our standardized Electronic Business Process and provided training in 30 hearing offices. We rolled out and completed training in the remaining offices in FY 2010. We are also tailoring the business process for use in our five National Hearings Centers. Training on the Electronic Business Process specific to the National Hearings Centers is scheduled for November 2010.

Expand Centralized Printing and Mailing: We contracted a vendor to centralize the printing and mailing of select hearing-level notices. Doing so frees up hearing office staff from routine tasks, such as producing, folding, and mailing millions of notices annually. In FY 2010, we rolled out nationwide the centralized printing and mailing of our largest volume hearing notice, the *Notice of Decision*. Also in FY 2010, we introduced central printing and mailing of a pre-hearing questionnaire, and in May 2010, we successfully automated hearing reminder notices nationwide. In total, we centrally printed and mailed 4.6 million notices in FY 2010. We plan to expand the process to other hearing notices in FY 2011.

Develop *Auto-Scheduling Program*: In FY 2010, we began developing an *Auto-Scheduling Program*, an innovative hearing scheduling program. Auto-scheduling will take on the time-consuming and labor-intensive task of coordinating hearing participants – claimants and their representatives, ALJs, expert witnesses, and other hearing personnel – in order to schedule a hearing. This program is expected to make the hearing scheduling process more efficient and free up time for hearing office employees to focus on other tasks. We anticipate the *Auto-Scheduling Program* will be available in FY 2012.

Minimize the Backlog at the Appeals Council: As we increase our capacity to hear and decide cases at the hearing level, we are mindful of the resulting effect on the Appeals Council workloads. We received 20 percent more requests for Appeals Council review compared to FY 2009 in addition to the 15-percent increase we experienced between FY 2008 and FY 2009. We added 135 additional Appeals Council employees in FY 2010 and plan to hire at least 75 additional employees in FY 2011.

Strategic Goal 2:   Improve the Speed and Quality of Our Disability Process

In FY 2010, we received the most initial disability claims in the agency's history – 3,224,668 – over 200,000 more than FY 2009. Our projections indicate the filing of initial disability applications has not yet peaked, and we expect to receive record numbers of initial disability claims in FY 2011. Despite the growth in this resource-intensive workload, we remain committed to improving the speed and quality of our disability claims process. We discuss the outcomes of our efforts to improve the speed and quality of our disability process and the effect our efforts had on our performance measure results on pages 55-61 in the *Performance Section.* Below we discuss additional efforts we took in FY 2010 to advance the three objectives established for this goal.

Strategic Objective 2.1: Fast-**Track Cases that Obviously Meet our Disability Standards**

Increase Use of *Electronic Records Express*: *Electronic Records Express* (ERE) provides medical and educational entities the capability to provide health and school records to us electronically. These electronic records, sent to us via a secure website or fax, are automatically associated with a claimant's electronic disability folder. In FY 2010, we received 27 million ERE submissions compared to 11 million in FY 2009. ERE is a win-win situation for all parties: medical and school entities save copying and postage costs; claims can be completed more quickly as mail transit time is eliminated; and we save the time and costs involved with scanning paper documents into electronic disability folders. We discuss these and other advantages and provide in-depth information about ERE at www.socialsecurity.gov/pubs/10046.html.

Support the Military Casualty Initiative: We are committed to providing expedited disability claim services to wounded service members and their families. Our collaborations with the Departments of Defense and Veterans Affairs (VA), along with advocates and military treatment facilities, have strengthened this commitment and have augmented our outreach efforts to inform and assist wounded service members and their families in filing for disability benefits. The American public has benefited from these collaborations in other ways too, such as our outreach to surviving family members of fallen soldiers. In FY 2010, our efforts included:

- *Wounded Warrior Webinar:* We presented a *Wounded Warrior Webinar* in November 2009 to educate service members, their families, military advocates, and civilian organizations about Social Security benefits for wounded military service members. The webinar, with more than 4,000 viewers, can be found at www.socialsecurity.gov/woundedwarriors.

- *Disability Transition Assistance Program* (DTAP) *National Agreement:* We formalized an agreement with the Physical Evaluation Board Liaison Officers to include in its DTAP briefings information about Social Security disability benefits. The DTAP briefing is a mandatory program for all Navy, Marine Corps, and Air Force service members leaving the military with a service-connected disability. Dedicating a segment of this program to Social Security disability benefits will increase awareness and explain how disabled service members can pursue these benefits.

- *Video Service Delivery Equipment Pilot:* We negotiated an agreement with the Walter Reed Army Medical Center to install onsite video service delivery equipment that connects hospitalized service members with Social Security claims representatives to file for disability benefits.

- *Collaboration with the Department of Veterans Affairs:* We worked jointly with the VA to increase awareness of their services for military members and their families. For example, we began distributing VA's pamphlet, *A Summary of VA Benefits,* at our field offices throughout the Nation. Also in FY 2010,

we began referring veterans, who are homeless or at-risk for homelessness, to VA's National Call Center for Homeless Veterans. The Call Center informed them of VA's website (www1.va.gov/HOMELESS/NationalCallCenter.asp). Additionally, we provided VA assistance in locating surviving spouses of deceased veterans to ensure they receive benefits or compensation that may be available to them.

- *Collaboration with the Department of the Army:* We provided the Department of the Army next of kin contact information of fallen soldiers to facilitate contact and determine eligibility of benefits.

Strategic Objective 2.2: Make it Easier and Faster to File for Disability Benefits Online

Streamline Disability Report: In January 2010, we released our streamlined disability report replacing our previous report, which was very time consuming and cumbersome to complete. We use the report to obtain basic information needed to decide disability claims, such as applicants' medical sources and employment history. By developing a user-friendly and streamlined version, we reduced completion time and improved the quality of the information we receive.

Implement the Appointed Representative Suite of Services: To meet the demand for service from representatives (such as attorneys, non-attorneys, representative payees, and third parties) who are conducting business with us on behalf of people filing for disability benefits, we implemented the Appointed Representative Suite of Services in FY 2010. This tool allows representatives to register online, manage their profiles, and have access to their clients' electronic folders. We encountered some problems with the online registration process and suspended its usage. We plan to reactivate online registration in FY 2012. In the interim, we implemented a manual registration process, and in FY 2010, we enrolled more than 1,200 representatives. We will continue to assist representatives in registering through regional and local events.

Strategic Objective 2.3: Regularly Update Our Disability Policies and Procedures

Develop an Occupational Information System: We use the Department of Labor's (DOL) *Dictionary of Occupational Titles* (DOT) to determine whether applicants for disability benefits can do their usual work or any other work in the U.S. economy. DOL no longer updates the DOT. We established an Occupational Information Development Advisory Panel to provide independent advice and recommendations to address our need for occupational information. For more information about the Panel, its roles, and the work it has done, see www.socialsecurity.gov/oidap/meeting_information.htm. We will continue to collaborate with the DOL and other Federal agencies during the research and development phase of the project.

Develop a Disability Determination Services (DDS) Common Case Processing System: Each States' DDS and Federal case processing component has its own unique case processing system that requires significant resources for ongoing support, maintenance, and enhancements. As such, national-level changes to the system require us to customize DDS and Federal systems individually. We are working with State DDSs and Federal case processing components to develop requirements for a common Disability Case Processing System. In addition to increasing functionality, such as decision support, the new system will be compatible with industry standards for electronic medical records to better integrate with health information technologies. In FY 2011, we plan to begin beta testing the initial version of the Disability Case Processing System in five DDSs. After sufficient experience with the initial versions, we will phase in a national rollout of the Disability Case Processing System.

Strategic Goal 3: Improve Our Retiree and Other Core Services

In FY 2010, we hired more front-line employees to help with our growing workloads. We continued to experience the effect of baby boomer retirements and received a record-breaking number of retirement claims. Despite increasing claims workloads, we continued to handle our high-volume Social Security number-related workloads and to timely update and maintain millions of workers' earnings records. We discuss the outcomes of our efforts to improve our retiree and other core services and the effect our efforts had on our performance measure results on pages 62-68 in the *Performance Section.* Below we discuss additional efforts we took in FY 2010 to advance the five objectives established for this goal.

Strategic Objective 3.1: Dramatically Increase Baby **Boomers' Use of Our Online Retirement Services**

Expand *iClaim*: *iClaim* enables people to file for benefits online. In FY 2010, we launched a new *iClaim* application, the *Online Medicare Application.* Many people who elect to delay retirement benefits beyond age 65 still want to enroll in Medicare at age 65. These people can file a Medicare-only claim in less than 10 minutes, using the new, easy-to-complete *Online Medicare Application.* Since its launch in March 2010, we have received 107,884 online Medicare applications. For more information about our *Online Medicare Application,* see www.socialsecurity.gov/pubs/10530.html.

Launch the *Life Expectancy Calculator:* One important factor people need to consider in deciding when to begin receiving retirement benefits is how long they may live. With this in mind, in FY 2010, we launched an online life expectancy calculator. This simple online tool provides users a rough estimate of their life expectancy. To try our calculator, go to www.socialsecurity.gov/OACT/population/longevity.html.

Expand Marketing Efforts: In FY 2010, we aggressively marketed our online services via our website and social networks (such as Facebook and Twitter), webinars, press releases, and public service announcements. We displayed ads on billboards, buses, and in airport terminals, and promoted our online services at national conferences and local public affairs events. Our marketing efforts in FY 2010 included videos featuring Academy Award, Golden Globe, and Emmy winning actress Patty Duke, as well as rock-and-roll legend Chubby Checker. Patty Duke reunited with the cast of the renowned "Patty Duke Show" to promote our new online *Medicare Application* (www.socialsecurity.gov/medicareonly), and Chubby Checker informed the public about a new "twist" in the law that makes it easier to qualify for *Extra Help* to pay for Medicare prescription drug costs (www.socialsecurity.gov/prescriptionhelp).

Strategic Objective 3.2: Provide Individuals with Accurate, Clear, Up-**to-Date Information**

It is essential for us to provide people with accurate, clear, and up-to-date information regardless of our delivery method. We issue approximately 390 million notices to the public annually – our most common communication method. These notices advise people of our decisions, payments, and other important information. Our notices must be clear, concise, and easily understood. Furthermore, we must provide notices to our diverse population. Although we did not have any FY 2010 performance measures under this strategic objective, we discuss below how we advanced this objective during the fiscal year.

Improve Notices to the Public: In FY 2010, we reviewed notices for readability, clarity, and appropriate tone. As a result, we made improvements based on our notice standards and clear writing guidelines. We significantly revised hearing decision notices that go to over 660,000 applicants each year. We also improved payment explanations in SSI award notices and developed appropriate language for notices that reference someone's death.

We revised notice language explaining reporting responsibilities so that recipients are aware of their responsibility to notify us of events that may affect their benefits. We also added our Internet address to various notices to encourage the public to use our online services to access information on our programs and available resources.

Provide Additional Notice Formats to the Blind or Visually Impaired: As a result of a court ruling issued in October 2009, we offer blind and visually impaired persons doing business with us the option of receiving notices in Braille or on a compact disc. We mailed out approximately 600,000 notices to known blind or visually impaired persons notifying them of the two new notice formats available to them as of April 2010. We informed them of how they can have their notices sent in the format they prefer. To further assist these individuals, we created a website (www.socialsecurity.gov/notices) they can visit and a special toll-free number they can call to make their selection. For more information on this court ruling and our responsibilities under the ruling, see page 23.

Implement *Audio Publications Project*: The *Audio Publications Project* offers the public the option to listen to our publications directly from our website. This option is especially helpful to people who are blind, visually impaired, or have difficulty reading. We completed the first phase of the project in May 2010 when we posted 90 of our English language publications on our website in audio format. We are further expanding the project by adding 83 Spanish language publications in FY 2011. These publications are available in MP3 format and can be accessed by commonly used media software (e.g., Windows Media Player, Quick Time). See www.socialsecurity.gov/pubs/audio/audio.html for English language publications and www.segurosocial.gov/espanol/audio/audio–es.html for Spanish language publications.

Strategic Objective 3.3: Improve Our Telephone Service

Expand Field Offices Telephone System Replacement Project (TSRP): We continued to implement TSRP, a multi-year replacement of our aged local stand-alone telephone systems, in over 1,400 field offices and hearing offices across the country. The new telephone system includes *Voice over Internet Protocol* (VoIP). VoIP, a single system that carries voice and data over one line, saves administrative costs and supports future technological improvements. VoIP provides a new capability to re-route calls during disasters and other emergencies. At the end of FY 2010, we had TSRP installed in about 60 percent of our field offices.

Replace Our National 800 Number Infrastructure: In FY 2010, we awarded a contract to implement *Citizens Access Routing Enterprise through 2020* (CARE2020), a replacement of our National 800 Number telecommunications infrastructure. CARE2020 will replace two existing contracts with a single VoIP system. The new system will include features that will allow us to keep pace with industry standards. We will implement the CARE2020 project in FY 2011 and expect it to be fully functional in FY 2012.

Strategic Objective 3.4: Improve Service for Individuals Who Visit Our Field Offices

Expanded Video Service Delivery: Video service delivery is an innovative and cost-effective way for us to provide our services to the public using video conferencing equipment. Video service allows our field offices to link together to provide assistance to busy or understaffed offices. It also enables us to provide service to people located at third-party sites, such as American Indian Tribal centers, local community centers, senior centers, hospitals, and homeless shelters, as well as improve service in busy inner-city offices. Video service is particularly helpful in rural areas. This service helps increase our presence and provides timely attention to the public. We have video service installed in 221 sites, and we expect to add 100 sites in FY 2011.

Provided *Social Security TV* (SSTV): We now have 134 SSTV-equipped offices. SSTV enables us to broadcast relevant messages in reception areas to provide visitors with information about our programs and services, such as what documents they need to apply for benefits or to request a Social Security card. We can customize broadcasts to air locally relevant information. We broadcast in several languages, which enables us to serve a broad customer base. We installed 113 SSTVs in FY 2010, and we plan to install an additional 600 in field offices in FY 2011.

Conducted Service Delivery Assessments: We periodically conduct service delivery assessments to determine when and where to open new field offices and Social Security Card Centers. In FY 2010, we opened two new field offices, one in Rio Rancho, New Mexico and one in San Antonio, Texas.

Strategic Objective 3.5: Process Our Social Security Number Workload More Effectively and Efficiently

Support *E-Verify*: *E-Verify* is a program administered by the Department of Homeland Security that allows registered employers to electronically verify the employment eligibility of newly hired employees. Beginning in FY 2010, the use of *E-Verify* became mandatory for contractors who are awarded Federal contracts. We support the *E–Verify* program by providing Social Security number verification and citizenship information to those employers who are registered to use *E-Verify*. In FY 2010, more than 226,700 employers were registered for *E-Verify,* and we handled almost 17 million queries from them. In FY 2011, we estimate 70,000 additional employers will register for *E-Verify*. For more information about *E-Verify*, see www.dhs.gov/E–Verify.

Expand Enumeration at Entry: This program allows non-citizens to apply for a Social Security number with the Department of State or the Department of Homeland Security prior to or upon their arrival in the United States. In FY 2010, we improved the process by implementing additional systems checks to prevent the issuance of multiple Social Security numbers to the same individual and to increase our management information capabilities. We are proactively working with the Department of State and the Department of Homeland Security to expand the program to additional classifications of non-citizens, including those persons applying for admission to the United States who are under certain non-immigrant visa classifications. We plan to begin development for this multi-year expansion effort in FY 2011.

Strategic Goal 4:   Preserve the **Public's Trust in Our Programs**

The public relies on us to accurately record their earnings and to determine their entitlement to and amount of benefits. They also count on us to safeguard all personally identifiable information. To be more open and transparent, we have posted data on our Open Government website (www.socialsecurity.gov/open) and have provided information concerning our efforts to reduce improper payments (www.socialsecurity.gov/improperpayments/). We value the trust the public has in our handling and maintenance of their benefits, earnings, and demographic information. We discuss the outcomes of our efforts to preserve the public's trust in our programs and the effect our efforts had on our performance measure results on pages 69-77 in the *Performance Section*. Below we discuss additional efforts we took in FY 2010 to advance the six objectives established for this goal.

Strategic Objective 4.1: Curb Improper Payments

Expand the *Access to Financial Institutions* (AFI) Project: SSI is a needs-based program, and income and resources affect an applicant's eligibility and payment amount. Our studies indicate that up to four percent of SSI applicants have undisclosed bank accounts that would result in a denial of payments. AFI enables us to electronically verify bank account balances and to identify undisclosed bank accounts that may preclude eligibility for, or change the amount of, SSI payments. We initially implemented AFI in three States – California, New York, and New Jersey – which represents about 28 percent of our SSI population. In FY 2010, we implemented AFI in 14 additional States, expanding coverage to 65 percent. In FY 2011, we plan to implement AFI nationwide and further improve its efficiency by integrating it with our automated SSI claims system.

Increase *SSI Telephone Wage Reporting System*: Wages earned by SSI recipients could affect their payment amounts. Typically, SSI recipients mail, fax, or hand-deliver wage reports to one of our field offices. Since we do not always receive reports timely, wages are a major cause of improper SSI payments. Using our *SSI Telephone Wage Reporting System*, recipients can call a dedicated agency telephone number toll-free to report their wages via a voice recognition system. The information automatically updates our wage reporting system, thereby requiring minimal intervention by our employees. In FY 2010, we received 331,552 calls to our *SSI Telephone Wage Reporting System*, a 390-percent increase over FY 2009. We actively encourage working SSI recipients to report their wages via this system. For more information, see www.socialsecurity.gov/ssi/spotlights/spot–telephone–wage.htm.

Continue Our Centenarian Project: We schedule face-to-face interviews with beneficiaries age 103 and older to ensure their continued eligibility for benefits and to make sure they are paid correctly. In FY 2010, we completed over 4,600 cases and detected over $3 million in overpayments. We also annually survey Social Security recipients age 97 and older who live in Canada to ensure deaths do not go unreported. Survey results from our *2009 Canadian Mail and Telephone Integrity Program* revealed 6 unreported deaths out of the 214 people among this group who were continuing to receive Social Security benefits. For the 2010 report, we will interview 237 beneficiaries.

Strategic Goal 4.2: Ensure Privacy and Security of Personal Information

Although we do not have any FY 2010 performance measures under this objective, we are committed to maintaining the confidentiality and integrity of the personally identifiable information we retain. In FY 2010, we conducted security testing or reviews on all of our major information technology systems. We provided agency-wide and component-specific security awareness training to our employees and contractors, including our first annual *Security Awareness Day* for headquarters staff in October 2009. We are developing role-based security training standards for all employees and contractors. In addition, we are implementing new Federal standards for continuously monitoring the performance of our security controls as required by the *Federal Information Security Management Act*.

Strategic Objective 4.3: Maintain Accurate Earnings Records

Conduct Employer Outreach: We continue to collaborate with the Internal Revenue Service (IRS) to improve all aspects of wage reporting. We participate in IRS's Nationwide Tax Forums by providing sessions on annual and electronic wage reporting. In FY 2010, we held sessions at six forums nationwide. We also conducted employer outreach efforts by attending conferences and providing exhibits to keep the payroll reporting community apprised of the latest information regarding annual wage reporting. These include conferences held with the American Payroll Association Congress, the National Society of Accountants, and the Association of Small Business Development Centers. We also provide employers with up-to-date information, tools, and resources on our *Employer W-2 Filing Instructions & Information* website, www.socialsecurity.gov/employer.

Implement Earnings: *The Next Generation Initiative*: We are transforming our earnings process from paper to electronic. Some benefits of this redesign include timelier wage postings, an increase in accuracy of posted earnings, and better Social Security number verification. In FY 2010, we began planning and analysis for improvements to the system that processes self-employment earnings. We also began unifying the *Earnings Correction Management Systems,* the multiple systems that process corrections to earnings records.
In FY 2011, we will begin to implement a series of system upgrades for processing Forms W-2 along with planning and analysis for a system redesign.

Strategic Objective 4.4: Simplify and Streamline How We Do Our Work

To meet the challenges of our growing workloads and to provide the best service possible, we must simplify and streamline our policies and procedures and move more of our business processes to an electronic environment. Our processes, policies, and regulatory and statutory requirements are often complicated, as well as difficult to administer and explain. We explain these requirements in our *Program Operations Manual System* for our front-line employees to process their workloads. We conducted a survey of policy experts to identify areas of the *Program Operations Manual System* that needed revision. We will discuss our survey findings in the *FY 2011 Performance and Accountability Report.*

Although we do not have any FY 2010 performance measures under this objective, we continued to work with Congress and stakeholders to identify ways to simplify our programs' statutory and regulatory requirements. In December 2009, we submitted proposals to Congress to simplify and improve certain aspects of the Old-Age, Survivors, and Disability Insurance (OASDI) and SSI programs. One proposal resulted in new legislation, the *No Social Security Benefits for Prisoners Act of 2009*, which prohibits retroactive OASDI benefits and SSI payments to individuals in prison, fugitive felons, or probation/parole violators.

Strategic Objective 4.5: Protect Our Programs from Waste, Fraud, and Abuse

Expand Our Cooperative Disability Investigation (CDI) program: We began our CDI program in FY 1998. The CDI program is a collaborative effort with our Inspector General, the DDSs, and State and local law enforcement to combat fraud in our disability programs. In FY 2010, we opened two new CDI units, in Columbia, South Carolina and Kansas City, Kansas, bringing our total to 22 units. CDI investigations led to the denial or termination of over 2,855 claims and saved approximately $240 million in our disability programs in FY 2010. Since its inception, the CDI efforts have resulted in close to $2.6 billion in savings: $1.6 billion in our disability programs and $967 million in programs such as Medicare and Medicaid. For more information on our CDI program, see www.socialsecurity.gov/oig/organization/investigations.htm#cooperative.

Develop Tools to Fight Against Fraud: We receive numerous documents to help conduct our business, including those to establish a person's age, identity, and citizenship or lawful alien status, and we must continually be watchful for altered or fraudulent documents. Our *Document Verification* website is available to assist our front-line employees in identifying suspect or fraudulent documents. This website serves as a one-stop portal for links to a number of resources employees can access to help investigate the authenticity of documents submitted.

Conduct *Onsite Security Control and Audit Reviews*: We continue to conduct ongoing *Onsite Security Control and Audit Reviews* to ensure our field offices, teleservice centers, processing centers, DDSs, and hearing offices follow established policies and procedures to ensure management controls are in place to deter and detect waste, fraud, and abuse. The reviews identify major problems to prevent material weaknesses. After a review, office managers must submit a corrective-action plan, which details how they will correct each deficiency cited during the review. We follow up with offices to ensure they have addressed each deficiency.

Strategic Objective 4.6: Use **"Green" Solutions to Improve Our Environment**

Developed *Agency Strategic Sustainability Plan*: In 2010, we established *Greenhouse Gas* reduction goals for the agency and we developed an *Agency Strategic Sustainability Plan* to meet *Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance* implemented in October 2009. For more information on this Executive Order, see page 22.

Key Foundational Elements

Our success in achieving our mission and our strategic goals depends on two key elements: our employees and Information Technology (IT). We must continue to make the investments necessary to develop and support our employees and IT because they are essential to everything we do. Below we discuss our FY 2010 efforts in these two crucial areas.

Key Foundational Element: Our employees

We actively promote diversity, health and safety, personal development, and work/life balance to help ensure an efficient, effective, and motivated workforce – our most valuable asset. Our dedicated employees and our partners at the State DDSs allow us to continuously improve our service. In FY 2010, we used our hiring authority to support the diversity of our workforce by recruiting citizens from underrepresented groups, including Hispanics, Asian Americans, veterans, and people with disabilities.

In 2010, for the third year in a row, the Social Security Administration was recognized as one of the top ten "Best Places to Work in the Federal Government" (www.bestplacestowork.org/BPTW/rankings). Our greatest challenge, however, continues to be the loss of institutional knowledge from the projected retirement of many of our employees. Over 47 percent of our FY 2010 workforce, including 63 percent of our supervisors, will be eligible to retire by FY 2019. Our workforce is multigenerational, aged 19 to 92, and multilingual, with the ability to speak over 100 languages. In FY 2010, we continued to refine our innovative human capital management strategies to enhance our ability to attract, retain, develop, motivate, and reward a diverse workforce and foster a culture of continuous improvement. Examples of our efforts include:
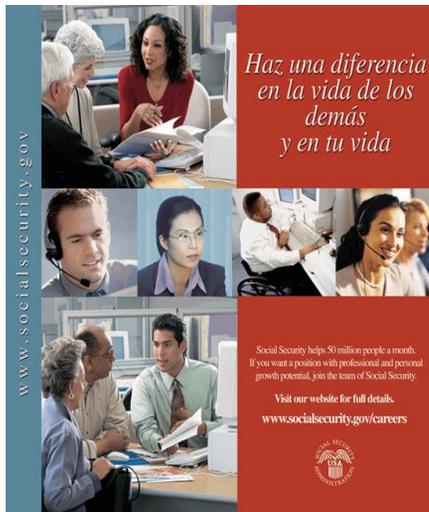
- Implementing the President's directive *Improving the Federal Recruitment and Hiring Process* to provide an easier way for Americans to apply for Federal jobs, increase managers' role and involvement in the recruitment process, and improve the speed and quality of hiring. To implement this new process, we provided training for all field-hiring managers and administrative staff. For more information on this directive, see www.whitehouse.gov/the–press–office/presidential–memorandum–improving–federal–recruitment–and–hiring–process.

- Promoting employment opportunity for veterans and people with disabilities. This effort was further supported by the President's Executive Order implemented on November 9, 2009: *Employment of Veterans in the Federal Government* to promote employment opportunities for veterans (www.whitehouse.gov/the–press–office/executive–order–veterans–employment–initiative). In FY 2010, we developed a plan to implement the veterans employment initiative, and we will continue implementation in FY 2011. We also vigorously marketed career opportunities for individuals with disabilities to external partners including Employment Support Providers (e.g., Independent Living Centers, Employment Networks, Vocational Rehabilitation Centers, State Employment Representatives) and protection and advocacy groups. We continued to participate in a variety of Federal disability programs (e.g., the Departments of Labor and Defense's *Workforce Recruitment Program for College Students with Disabilities, the Wounded Warrior Project, Warriors to Work*). We also maximized our use of hiring flexibilities to ensure entry pathways for students, veterans, and individuals with disabilities.

- Continuing to provide an environment and culture that fosters employee retention, promotes achievement in public service, and encourages the pursuit of personal excellence through continual learning. To this end, we began the University Partnership Program, a collaborative effort with local colleges, universities, and vendors to provide our employees convenient access to college-level academic courses and continuing education or training classes.

Key Foundational Element: Information technology

IT is critical for us to accomplish our day-to-day business. The public increasingly handles more of their business online and expects our electronic services to be secure, easy-to-use, and available 24 hours a day, 7 days a week. We continue to make concerted efforts to improve our service delivery by taking advantage of modern technology and the Internet.

In FY 2010, we exchanged over 2 billion data records with other Federal and State agencies, as well as with business entities. Some exchanges not only help curb improper payments, such as the death data exchange we conduct to receive timely notification of beneficiaries' deaths, but also contribute to better homeland security. For example, our data exchange with the Department of Homeland Security helps verify employment eligibility of newly hired employees and work authorization status for non-citizens.

Our computer databases maintain demographic, earnings, and benefit information on almost every American. We continue to increase our computing infrastructure, storage capacity, and expansion of our network infrastructure. We securely store about 550 million disability documents, including nearly 62 million medical records, while adding roughly 70,000 records each month. Our expanded use of health IT enables us to receive medical evidence and other data electronically to process disability claims.

Social Security Video Service
Bringing Our Office To You

Speak to a live Social Security representative from this convenient location. Use our video service for a variety of your Social Security needs.

Where: _____
Hours: _____
_____
For video service questions, call: _____

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We recognize that we must protect our IT systems from security threats, and we remain diligent in safeguarding the personal information we retain. We are protecting our data network by expanding our data center operations. In FY 2009, we opened our Second Support Center as a co-processing center and to provide disaster-recovery service for our 30-year-old National Computer Center. Our longer-term plans include building a new, state-of-the art National Support Center. As a result of the funding we received under the *Recovery Act*, we began the initial phases in building this new facility and anticipate our new National Support Center should be completed in 2014. For more information, see page 20.

IT is, and will remain, a key foundational element towards achieving our mission. We will continue to evaluate and modify our IT strategies to adapt to rapidly changing and dynamic technologies to provide accurate, dependable, and secure services that meet the changing needs of the public.

Special Initiative—*Encourage Saving*

Our special initiative – *Encourage Saving* – helps people understand the role of Social Security benefits and the need to save for the future, whether it is for retirement or other life events that could interrupt their income. Some of our outreach efforts include:

- Improving the effectiveness of our *Social Security Statements* mailed to more than 150 million workers each year, which include inserts for workers at different life stages, with topics ranging from *Thinking of Retiring* to *What Younger Workers Should Know About Social Security and Saving*.

- Working with a broad range of Government agencies to provide a central U.S. Government portal, www.money.gov, dedicated to teaching Americans about the basics of financial education based on various life events, including retirement planning options and ways to encourage people to save for the future.

- Establishing the Financial Literacy Research Consortium, a collaborative effort with noted research centers to develop innovative, research-based materials and programs to help Americans plan for a secure retirement.

- Reminding the public and our employees about the importance of saving for the future by promoting *America Saves Week 2010* (www.americasavesweek.org/about/purpose.asp) and informing them of the financial and educational resources available.

The road is long. Be sure you're prepared for the trip.

And your annual *Social Security Statement* can help you prepare. It will give you estimates of the benefits you and your family may be eligible for now and in the future. Use it to help plan your financial future.

Watch the mail for your statement. It should arrive about three months before your birthday.

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- Launching the *Life Expectancy Calculator*. A key factor to determine financial security in retirement is how long one can reasonably expect to live, yet many people substantially underestimate their life expectancy. In FY 2010, we launched our *Life Expectancy Calculator* that provides users' average life expectancies at different ages using actuarial assumptions from the annual Social Security Trustees' report (www.socialsecurity.gov/OACT/TR/2010). We believe using this calculator in conjunction with our *Retirement Estimator* (www.socialsecurity.gov/estimator) will provide valuable assistance in users' retirement planning.